

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	SECURITY INTEREST		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
GENERAL DYNAMICS ADVANCED INFORMATION SYSTEMS, INC.		08/31/2006	CORPORATION: DELAWARE
RECEIVING PARTY DATA			
Name:	BEECHTREE VeriFIDES MANAGEMENT LLC		
Street Address:	1221 Avenue of the Americas		
Internal Address:	Suite 2600		
City:	New York		
State/Country:	NEW YORK		
Postal Code:	10020		
Entity Type:	LIMITED LIABILITY COMPANY: NEW YORK		
PROPERTY NUMBERS Total: 1			
Property Type	Number	Word Mark	
Registration Number:	3074125	VERIFIDES	
CORRESPONDENCE DATA			
Fax Number:	(312)840-7884		
	<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>		
Phone:	(312) 840-7860		
Email:	mmurphy@jenner.com		
Correspondent Name:	Mariann R. Murphy		
Address Line 1:	330 N. Wabash Avenue		
Address Line 2:	Jenner & Block LLP		
Address Line 4:	Chicago, ILLINOIS 60611		
ATTORNEY DOCKET NUMBER:	44440-39280		
NAME OF SUBMITTER:	Mariann R. Murphy		

CH \$40.00 3074125

Signature:	/Mariann R. Murphy/
Date:	09/07/2006
Total Attachments: 10 source=GDAIS-Beechtree - IP Security Agreement - EXECUTION#page1.tif source=GDAIS-Beechtree - IP Security Agreement - EXECUTION#page2.tif source=GDAIS-Beechtree - IP Security Agreement - EXECUTION#page3.tif source=GDAIS-Beechtree - IP Security Agreement - EXECUTION#page4.tif source=GDAIS-Beechtree - IP Security Agreement - EXECUTION#page5.tif source=GDAIS-Beechtree - IP Security Agreement - EXECUTION#page6.tif source=GDAIS-Beechtree - IP Security Agreement - EXECUTION#page7.tif source=GDAIS-Beechtree - IP Security Agreement - EXECUTION#page8.tif source=GDAIS-Beechtree - IP Security Agreement - EXECUTION#page9.tif source=GDAIS-Beechtree - IP Security Agreement - EXECUTION#page10.tif	

IP SECURITY AGREEMENT

THIS IP SECURITY AGREEMENT (this “**Security Agreement**”), dated as of August 31, 2006 (“**Effective Date**”), is entered into by and between GENERAL DYNAMICS ADVANCED INFORMATION SYSTEMS, INC., a Delaware corporation (“**Secured Party**”), and BEECHTREE VeriFIDES MANAGEMENT LLC, a New York limited liability company (“**Debtor**”).

W I T N E S S E T H:

WHEREAS, Secured Party and Debtor are parties to a certain Note and Security Agreement of even date herewith (as amended, restated, supplemented or otherwise modified from time to time, the “**Note Agreement**”), which Note Agreement provides for the grant by Debtor to Secured Party of a security interest in certain of Debtor’s patents and patent applications and trademark registrations and applications and the other Collateral (as defined therein);

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements contained herein, the receipt and adequacy of which are hereby acknowledged, Secured Party and Debtor, intending to be legally bound, hereby agree as follows:

1. Incorporation of Note Agreement. The Note Agreement and the terms and provisions thereof are hereby incorporated herein in their entirety by this reference thereto. All terms capitalized but not otherwise defined herein shall have the same meanings herein as in the Note Agreement.

2. Grant and Reaffirmation of Grant of Security Interests. To secure the complete and timely payment and satisfaction of the unpaid principal amount under the Note Agreement, together with all accrued interest thereon and all other obligations of Debtor thereunder (collectively, the “**Liabilities**”), Debtor hereby grants to Secured Party, and hereby reaffirms its prior grant pursuant to the Note Agreement of, a continuing security interest in Debtor’s entire right, title and interest in and to: (a) the patents and patent applications listed on **Schedule A** attached hereto and made a part hereof, and all reissues, divisions, continuations, continuations-in-part, re-examinations, renewals, extensions thereof and any foreign counterparts of any of the foregoing, and all income, royalties, damages and payments now or hereafter due and/or payable under or with respect to any of the foregoing, including, without limitation, damages and payments for past, present and future infringements of any of the foregoing and the right to sue for past, present and future infringements of any of the foregoing (all of the foregoing are sometimes hereinafter individually and/or collectively referred to as the “**Patents**”); (b) the trademark registrations and applications listed on **Schedule B** attached hereto and made a part hereof, and all renewals thereof, and all income, royalties, damages and payments now or hereafter due and/or payable under or with respect to any of the foregoing, including, without limitation, damages and payments for past, present and future infringements of any of the foregoing and the right to sue for past, present and future infringements of any of the foregoing (all of the foregoing are sometimes hereinafter individually and/or collectively referred to as the “**Trademarks**”); and (c) all rights corresponding to any of the foregoing throughout the world and the goodwill of the Debtor’s business associated with the Trademarks.

3. Restrictions on Future Agreements. Debtor agrees that until the Liabilities shall have been satisfied in full and the Note Agreement shall have been terminated, Debtor shall not sell or assign its interest in any Patent or Trademark or enter into any other agreement with respect to any Patent or Trademark which would affect the validity or enforcement of the rights transferred to Secured Party under this Security Agreement or grant any exclusive licenses thereunder (except for exclusive licenses that automatically terminate by their terms upon an Event of Default (under the Note)), without the prior written consent of Secured Party, which consent will not be unreasonably withheld.

4. Royalties; Terms. The term of this Security Agreement shall extend until the payment in full of the Liabilities and the termination of the Note Agreement. Debtor agrees that upon the occurrence of an Event of Default, the use by Secured Party of all Patents and Trademarks shall be without any liability for royalties or other related charges from Secured Party to Debtor.

5. Release of Security Interest. This Security Agreement is made for collateral purposes only. Upon payment in full of the Liabilities and termination of the Note Agreement, Secured Party shall take such actions as may be necessary or proper to terminate the security interests created hereby and pursuant to the Note Agreement

6. Expenses. All expenses incurred in connection with the performance of any of the agreements set forth herein shall be borne by Debtor. All fees, costs and expenses, of whatever kind or nature, including reasonable attorneys' fees and legal expenses, incurred by Secured Party in connection with the filing or recording of any documents to record, perfect or terminate the security interests created hereby (including all taxes in connection therewith) in public offices, and in connection with the payment or discharge of any taxes, reasonable counsel fees, maintenance fees, encumbrances or otherwise in protecting, maintaining or preserving the Patents and Trademarks or in defending or prosecuting any actions or proceedings arising out of or related to the Patents and Trademarks shall in each case be borne by and paid by Debtor and until paid shall constitute Liabilities.

7. Duties of Debtor. Debtor shall have the duty (a) to file and prosecute diligently any patent applications included in the Patents and any trademark applications included in the Trademarks until the Liabilities shall have been paid in full and the Note Agreement has been terminated, (b) to preserve and maintain all rights in the Patents and Trademarks, as commercially reasonable, and (c) to ensure that the Patents and Trademarks are and remain enforceable, as commercially reasonable. Any expenses incurred in connection with the Liabilities under this Section 7 shall be borne by Debtor. Debtor agrees to maintain the quality of any and all products in connection with which the Trademarks are used, consistent with commercially reasonable business practices. Upon the occurrence of an Event of Default, Debtor agrees that Secured Party, or a conservator appointed by Secured Party, shall have the right to establish such additional product quality controls as Secured Party, or said conservator, in its reasonable judgment, may deem necessary to assure maintenance of the quality of products sold by Debtor under the Trademarks.

8. Secured Party's Right to Sue. After an Event of Default, Secured Party shall have the right, but shall in no way be obligated, to bring suit in its own name to enforce the Patents and, if Secured Party shall commence any such suit, Debtor shall, at the request of Secured Party, do any

and all lawful acts and execute any and all proper documents required by Secured Party in aid of such enforcement and Debtor (including without limitation by joining such suit) shall promptly, upon demand, reimburse and indemnify Secured Party for all costs and expenses incurred by Secured Party in the exercise of its rights under this Section 8.

9. Amendment; Waiver. This Security Agreement may be amended only in a writing signed by both parties hereto. Any provision of this Agreement may be waived only in a writing signed by the party granting such waiver. No course of dealing among the parties shall be effective to amend or waive any provision of this Agreement.

10. Severability. In the event that any provision contained in this Security Agreement shall for any reason be held to be invalid, illegal or unenforceable in any jurisdiction, such provision shall be ineffective as to such jurisdiction to the extent of such invalidity, illegality or unenforceability without invalidating or affecting the remaining provisions hereof or affecting the validity, legality or enforceability of such provision in any other jurisdiction.

11. Cumulative Remedies; Power of Attorney; Effect on Note Agreement. All of Secured Party's rights and remedies with respect to the Patents, whether established hereby or by the Note Agreement, or by any other agreements or by law shall be cumulative and may be exercised singularly or concurrently. Debtor hereby authorizes Secured Party upon the occurrence of an Event of Default, to make, constitute and appoint any officer or agent of Secured Party as Secured Party may select, in its sole discretion, as Debtor's true and lawful attorney-in-fact, with power to (a) endorse Debtor's name on all applications, documents, papers and instruments necessary or desirable for Secured Party in the use of the Patents, (b) take any other actions with respect to the Patents as Secured Party deems to be in the best interest of Secured Party, (c) grant or issue any exclusive or non-exclusive license under the Patents to anyone, or (d) assign, pledge, convey or otherwise transfer title in or dispose of the Patents to anyone. Debtor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney shall be irrevocable until the Liabilities shall have been paid in full and the Note Agreement have been terminated. Debtor acknowledges and agrees that this Security Agreement is not intended to limit or restrict in any way the rights and remedies of Secured Party under the Note Agreement but rather is intended to facilitate the exercise of such rights and remedies. Secured Party shall have, in addition to all other rights and remedies given it by the terms of this Security Agreement and the Note Agreement, all rights and remedies allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in New York.

12. Binding Effect; Benefits. This Security Agreement shall be binding upon Debtor and its respective successors and assigns, and shall inure to the benefit of Secured Party, its successors, nominees and assigns.

13. Governing Law. This Security Agreement shall be governed by and construed in accordance with the laws of the State of New York, without giving effect to the principles of conflicts of law thereof.

14. Headings. The descriptive headings of the several Paragraphs, including those of the Schedules to this Agreement, are inserted for convenience only, do not constitute a part of

this Security Agreement and shall not affect in any way the meaning or interpretation of this Security Agreement.

15. Further Assurances. Debtor agrees to execute and deliver such further agreements, instruments and documents, and to perform such further acts, as Secured Party shall reasonably request from time to time in order to carry out the purpose of this Security Agreement and agreements set forth herein.

16. Counterparts. This Security Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, Debtor has duly executed this Security Agreement as of the date first written above.

BEECHTREE VeriFIDES MANAGEMENT LLC

By: George Weiss
Name: George Weiss
Title: Chairman

By: _____
Name: John Oppenheimer
Title: President

Acknowledged and Agreed:

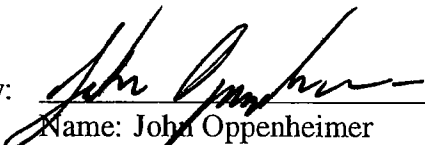
GENERAL DYNAMICS ADVANCED
INFORMATION SYSTEMS, INC.

By: _____
Name: Richard J. Galanis
Title: Vice President

IN WITNESS WHEREOF, Debtor has duly executed this Security Agreement as of the date first written above.

BEECHTREE VeriFIDES MANAGEMENT LLC

By: _____
Name: George Weiss
Title: Chairman

By:  _____
Name: John Oppenheimer
Title: President

Acknowledged and Agreed:

GENERAL DYNAMICS ADVANCED
INFORMATION SYSTEMS, INC.

By: _____
Name: Richard J. Galanis
Title: Vice President

IN WITNESS WHEREOF, Debtor has duly executed this Security Agreement as of the date first written above.

BEECHTREE VeriFIDES MANAGEMENT LLC

By: _____
Name: George Weiss
Title: Chairman

By: _____
Name: John Oppenheimer
Title: President

Acknowledged and Agreed:

GENERAL DYNAMICS ADVANCED
INFORMATION SYSTEMS, INC.

By: Richard J. Galanis
Name: Richard J. Galanis
Title: Vice President

SCHEDULE A
PATENTS

U.S. PATENTS		
Patent Number	Issue Date	Title
5,933,498	Aug. 3, 1999	System for Controlling Access and Distribution of Digital Property
6,314,409	Nov. 6, 2001	System for Controlling Access and Distribution of Digital Property

U.S. PATENT APPLICATIONS		
Application Number	Filing Date	Title
09/691,242	Oct. 19, 2000	System for Controlling Access and Distribution of Digital Property
10/077,773	Feb. 20, 2002	System for Controlling Access and Distribution of Digital Property
10/219,890	Aug. 16, 2002	System for Controlling Access and Distribution of Digital Property
10/219,665	Aug. 16, 2002	System for Controlling Access and Distribution of Digital Property
11/373,156	Mar. 13, 2006	Systems and Methods for Authoring and Protecting Digital Property

FOREIGN PATENTS		
None		

FOREIGN PATENT APPLICATIONS

Country	Application Number	Filing Date	Title
Japan	525,271/1997	January 9, 1997	System for Controlling Access and Distribution of Digital Property
EP	979028222	January 9, 1997	System for Controlling Access and Distribution of Digital Property
Canada	2,242,596	January 9, 1997	System for Controlling Access and Distribution of Digital Property

SCHEDULE B
TRADEMARKS

U.S. TRADEMARK REGISTRATION		
Registration Number	Registration Date	Mark
3,074,125	March 28, 2006	VERIFIDES